

PART 10
MARKET RESEARCH

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(a)(2)(iii) Generally, DLA activities will not delay the instant acquisition to conduct market research when the estimated dollar value is less than the simplified acquisition threshold, unless the contracting officer determines it is cost-effective to do so.

10.002 Procedures.

(a)(90) "Market" as used in the term "market research" may be confined to trade in one product, or be a group of products, and may cover a locality, a region, the United States, or be worldwide.

(91) "Market research" as defined in FAR 2.101 and exemplified in FAR and DLAD 10.002 and in Chapter 12 of the Armed Services Pricing Manual (ASPM), Volume II, includes, but is not limited to, efforts by:

(1) Technical personnel to accomplish research and analysis in connection with developing specifications and purchase descriptions (see FAR 10.002(b)(2));

(2) Technical personnel to determine the availability of commercial products to meet the Government's functional requirements (see FAR Part 10);

(3) Supply personnel to identify techniques/actions to assure or enhance supply availability and the timing and quantities for economic purchases; and

(4) Contracting and competition advocate personnel to research and develop sources (see FAR and DLAD 6.101 and 7.102).

(b)(1) Market research and analysis also involves, but is not limited to, acquiring the information cited in Chapter 12 of the Armed Services Pricing Manual (ASPM), Volume II and the following:

(90) Trends in technology, materials utilization, and industry practice including manufacturing processes, economic order quantities, production lead times, and channels of distribution.

(91) Economic and price trends and conditions, market statistics and indicators, and major policies or seasonal considerations affecting supply, past demand analysis, future demand projections, and outlook for major product categories.

(92) Compatibility with economic production runs, economic buys, industry capacity (including variations in availability of such capacity), and industry interest.

(93) Industry marketing, commercial contracting, contract financing, and pricing practices,

(94) Potential impact of acquisitions on domestic and international markets.

(95) Impediments to effective competition.

(b)(2) Additional sources include:

(90) Academic institutions.

(91) Industry and trade associations.

(92) Business and financial periodicals, trade publications, statistical and financial service reports (e.g., Dun & Bradstreet, Thomas Register).

(93) State, county, and local governmental agencies.

(d)(2) The contracting officer shall prepare the solicitation in accordance with Part 12 when

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(90) Part 12 was not initially planned to be used, because no commercial items had been identified that could meet the Government's need pursuant to FAR 10.002(d)(2);

(91) A synopsis notice referencing Numbered Note 26 was issued pursuant to FAR 5.207(e)(4); and

(92) A prospective contractor responds within 15 days advising that the Government's requirement can be met with a commercial item.

(90) General. Market research to develop or enhance competition is normally conducted by buyers and competition advocate personnel, often with assistance from the local market research office, if existent. Such locally established offices should support the entire scope of local market research and analysis needs. Where a local market research office has not been established, assistance for specified market research may be requested from the local or other DLA operations research and economic analysis office responsible for providing such support.

(91) Requirements. To ensure that applicable market conditions are considered in the acquisition decision-making process, market conditions may need to be continually monitored, analyzed and forecasted (using appropriate economic theory, tools and techniques) to determine their potential impact on various elements of the acquisition plan (see FAR 7.105(b)(1)), as well as on mission performance.

(e)(90) Personnel responsible for maintaining the Contracting Technical Data File (CTDF) shall make the appropriate entries in the "COS" (Commercial Off -the-shelf) field when items are identified as being commercial or noncommercial. DLA activities shall establish appropriate procedures to ensure that the necessary information is provided to the personnel maintaining the CTDF.